CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: Yellowstone River Natural Gas Pipeline Boring Project near Laurel, MT

Easement Amendment and Land Use License

Proposed

Implementation Date: Winter 2021/Spring 2022
Proponent: Northwestern Energy

Location: A strip of land under the Yellowstone River of Section 15, Township 2 South, Range

24 East

(Yellowstone River - Public Land Trust)

County: Yellowstone County

I. TYPE AND PURPOSE OF ACTION

The Proponent, Northwestern Energy, is requesting to amend their recently approved easement in the Yellowstone River for the location of an 8" natural gas pipeline in Section 15, Township 2 South, Range 24 East. The new ± 0.701 -acre easement application is to relocate the approved easement to accommodate Northwestern Energy's proposed new path. The egress point of the easement will remain the same as the previously approved easement and the ingress portion will be moved further east on private property. The proponent is also requesting a land use license to meet construction deadlines while the amendment to the original easement is being processed.

The project is part of a larger project where Northwestern Energy is currently developing a gas-powered generating station near Laurel, MT in order to meet customer demand. The location for the proposed generating station and the 8" natural gas pipeline under the river offers access to adequate, uncongested electric transmission and gas supplies.

The proposed project will use horizontal directional drilling (HDD) to bore under the Yellowstone River and place an 8" pipeline for the purpose of moving natural gas to the generating station. The pipeline will be approximately 50' below the bed of the Yellowstone River.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

Provide a brief chronology of the scoping and ongoing involvement for this project.

No formal public scoping was performed by DNRC for this proposed project.

2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

Due to the nature of the project only disturbing the ground under the riverbed, the Yellowstone Conservation District has determined this be a non-project. The only permits Northwestern Energy are required to obtain are a floodplain permit from the Yellowstone County Floodplain Administrator and United State Army Corp of Engineers Section 10 permit.

All permits have been secured for the construction of the new 8" gas pipeline directional boring project that is within the pipeline easement corridor. NorthWestern Energy may have other permitting requirements that are outstanding related to the construction of the electrical generation station, but that permitting is outside the scope of this environmental review.

3. ALTERNATIVES CONSIDERED:

Proposed Alternative: Approve the request by Northwestern Energy to amend their recently approved 8" gas pipeline easement under the Yellowstone River.

No Action Alternative: Deny the request by Northwestern Energy to amend their recently approved 8" gas pipeline easement under the Yellowstone River.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.
- Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.
- Enter "NONE" If no impacts are identified or the resource is not present.

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.

The easement area and project area lay under the riverbed of the Yellowstone River. The riverbed is within unglaciated areas of the Missouri Plateau and is comprised of sedimentary rocks, mainly sandstone. The project will use horizontal directional drilling (HDD) to bore the pipe approximately 50' under the riverbed. The proposed action would result in minimal disruption to the riverbed. No significant long-term adverse impacts to geology and soil quality, stability is expected as a result of implementing the proposed alternative.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.

The proposed action is to directionally bore 50' below the Yellowstone riverbed. The depth is designed to ensure no pollutant shall reach the flowable riverbed. The directionally boring will begin ± 178 feet outside the riverbed on the southward side of the Yellowstone River. The project will then extend under the riverbed for $\pm 1,108.32$ '. Upon reaching the northern side of the riverbed, the bore will continue ± 475.96 ' northeastwardly before exiting the bore. The total bore will be $\pm 1,672$ ' with both entry and exit being out of the riverbed system. The proposed action is not expected to have a significant adverse impact on water quality, quantity or distribution.

6. AIR QUALITY:

What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

Implementation of the proposed action will result in a temporary increase in emissions from heavy equipment that will be used to dig the pits and bore the pipeline under the river. Due to the short nature of installation, no significant long term adverse impacts to air quality are expected by implementing the proposed action.

7. VEGETATION COVER, QUANTITY AND QUALITY:

What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.

The proposed action would allow the proponent to install an 8" natural gas pipeline by boring approximately 50' under the Yellowstone Riverbed rock base. The portion of the project that is on state-owned land runs 867' and is entirely under the Yellowstone River. No significant impacts to vegetative cover, quantity and quality are expected by implementing the proposed action.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.

The proposed action is to directionally drill 50' under the Yellowstone riverbed. The portion of the project that is on state-owned land is entirely under the Yellowstone River. Due to the relatively short project duration and minimal impacts to the area, no significant adverse impacts to terrestrial, avian and aquatic life and habitats are expected to occur as a result of implementing the proposed alternative.

9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.

A search of the Montana Natural Heritage Program database indicated the following species of concern have been observed in or near the proposed section:

- Grizzly Bear, Black-tailed Prairie Dog
- Snapping Turtle, Spiny Softshell
- Sauger
- Bald Eagle, Yellow-billed Cuckoo, Great Blue Heron, Bobolink, Cassin's Finch, Clark's Nutcracker
- Isocapnia Integra (Alberta Snowfly)

Bat Roosts (Non-cave) have been discovered in the area. There are also potential species of concern that have the possibility of having habitats or being observed in the surrounding area.

The project consists of two bore pits for entry and exit of the directionally billing. Neither pits are on state-owned land. The proposed alternative would only disturb state-owned land under the Yellowstone River, therefore there are not expected to be any significant long-term adverse impacts.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

Identify and determine effects to historical, archaeological or paleontological resources.

The proposed alternative would only disturb state-owned land under the Yellowstone River, therefore no cultural resources are expected to be discovered or impacted. No significant adverse impacts to historic or archaeological sites on state-owned land are expected as a result of implementing the proposed alternative.

11. AESTHETICS:

Determine if the project is located on a prominent topographic feature or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.

The proposed alternative would only disturb state-owned land under the Yellowstone River. The only short-term impact would be from the vaults, not within state-owned land, for ingress and egress of the directional bore under the river. Implementation of the proposed action is not expected to cause a significant adverse impact to the aesthetical nature of the environment.

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:

Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.

Implementing the Proposed Alternative is not expected to result in a significant adverse impact on environmental resources.

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

No other projects are known on this portion of state-owned land of the Yellowstone River at this time.

IV. IMPACTS ON THE HUMAN POPULATION

- RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.
- Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.
- Enter "NONE" If no impacts are identified or the resource is not present.

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

No significant adverse impacts to human health and safety would occur as a result of implementing the proposed alternative.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

Identify how the project would add to or alter these activities.

The proposed action is part of a larger project by Northwestern Energy to build and operate a generating station on the northern portion of the Yellowstone River. Per the news reported, the 175-MW gas plant would provide electricity to the customers in the general pacific northwest. No significant adverse impacts to industrial, commercial and agricultural activities and production would occur as a result of implementing the proposed alternative.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.

The proposed action is part of a larger project by Northwestern Energy to build and operate a generating station on the north side of the Yellowstone River. Per the news reported, the generating station will employ approximately 200 people. As the natural gas pipeline is directly related to the generating station's ability to supply fuel to the generating station, this project will have a minor impact on the distribution of employment.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.

Due to the nature of the project, implementation of the Proposed Alternative is not expected to have a significant impact on local and state tax base and revenues.

18. DEMAND FOR GOVERNMENT SERVICES:

Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services

The implementation of the Proposed Alternative will not generate any additional demands on governmental services.

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

Implementation of the proposed alternative will not conflict with any locally adopted plans.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:

Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

The proposed action is not expected to cause any significant adverse long-term impacts to access and quality of recreation and wilderness activities.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

No significant adverse impacts to density and distribution of population and housing would occur as a result of implementing the proposed alternative.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

There are no native, unique or traditional lifestyles or communities in the vicinity that would be impacted by the proposed alternative.

23. CULTURAL UNIQUENESS AND DIVERSITY:

How would the action affect any unique quality of the area?

Implementation of the Proposed Alternative is not expected to have a significant adverse impact on cultural uniqueness or diversity.

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:

Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

The Public Land Trust will benefit by getting a one-time fee of \$2,314.50 for the temporary construction permit to begin construction while the easement is being amended.

The Public Land trust will also benefit by receiving additional \$1,454.54 for the additional encumbrance of the recently approved easement.

EA Checklist Prepared By: Name: Joe Holzwarth Date: 6 December 2021

Title: Area Planner, Southern Land Office

V. FINDING	
VIII MEMO	

25. ALTERNATIVE SELECTED:

After review, the proposed alternative has been selected and it is recommended that Northwestern Energy be granted a ± 0.701 -acre easement in the Yellowstone River for the installation of an 8" natural gas pipeline line. The proposed natural gas pipeline will be installed via a Horizontal Directional Drill process and will approximately 50' below the bed of the Yellowstone River. The proposed easement is located under the Yellowstone riverbed in Section 15, Township 2 South, Range 24 East in Yellowstone County. The easement is 30' in width and extends $\pm 1,018.32'$ under the Yellowstone River as shown in 'Exhibit A.' This alternative can be implemented in a manner that is consistent with the long-term sustainable natural resource management of the area.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The potential for significant adverse impacts to the Trust lands listed above are minimal due to the nature of the proposed action only affecting the Yellowstone River underneath the riverbed. The easement will allow the proponent to deliver natural gas to their proposed electrical generation station on the outskirts Laurel, MT. There are no natural features that are expected to be impacted and produce significant adverse impacts if the proposed action is implemented.

7. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:				
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EIS		More Detailed EA	No Further Analysis	
EA Checklist	Name:	Jeff Bollman		
Approved By:	Title:	Area Manager, Southern Land Office		
Signature:	Blynn	Date: 7 December 2021		

Exhibit A - Easement Location and Detail

